

New Title II Development Programs in Bangladesh FY 2005

The United States Government (USG), as represented by the U.S. Agency for International Development (USAID), Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA), Office of U.S. Food For Peace (FFP), through USAID/Bangladesh, will be encouraging the submission of FY 2005 Title II Development Program Assistance (DAP) proposals from registered Title II Cooperating Sponsors (CSs) to implement food security programs in Bangladesh complementary to the approved food security strategy of the USAID/Bangladesh Mission (see Section E, Reference Sources).

The purpose of this strategy statement is to disseminate information to prospective CSs to help guide their formulation of Title II development food aid program proposals as may be submitted this Fall in response to the DCHA/FFP FY 2005 cycle for new DAP Proposals.

Please note that the Office of Food for Peace (FFP) in the Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA) is currently vetting a draft concept paper for its new strategic plan for the period FYs 2004-2008. In addition to the currently approved and publicized reference sources mentioned in this document, prospective CSs will need to follow the ongoing FFP strategy discussions to understand the policy changes and strategies now under consideration by FFP and its development partners and which may subsequently be approved.

This general description provides: (A) a background of food insecurity and Title II program history in Bangladesh; (B) desirable food security program strategies and types of activities which are encouraged by the Mission; (C) identification of important considerations and criteria which are expected to be used by the Mission in reviewing and evaluating subsequent and/or parallel proposals for development assistance; (D) Mission programming priorities and expectations, and (E) reference to useful materials available on the Internet.

A. BACKGROUND

1. Food Aid and Food Security Policy

Drawing on 1990 legislative reforms to P. L. 480, USAID in 1992 issued a broad definition of food security: "When all people at all times have both physical and economic access to sufficient food to meet their dietary needs for a productive and healthy life." This definition further noted that "three distinct variables are central to the attainment of food security: availability, access, and utilization." These variables are interrelated and their various forms are given further definition in the USAID Policy Paper: Food Aid and Food Security (see Section E, References).

Food security is the condition in which all people at all times have both physical and economic access to sufficient food to meet their dietary needs for a productive and healthy life. Food security is dependent upon agricultural production, food imports and food aid, employment opportunities and income earnings, intra-household decision making and resource allocation, and health and nutrition care utilization and caring practices. It is a multi-dimensional development topic that requires cross-sectoral integrated interventions.

Bangladesh is a country of 133 million population with a per capita income of \$360. Poverty alleviation is a core challenge for Bangladesh. Because of poverty, malnutrition is a fundamental problem. To reduce poverty in Bangladesh, it is crucial to develop and improve the capacities of its most vulnerable

populations and regions. For this, Bangladesh needs to accelerate the growth and productivity of its agriculture and non-farm sectors, improve the quality of social services, ensure proper functioning of its community and rural institutions and expand the rural support infrastructures.

Over the last three decades food grain production in Bangladesh has more than doubled - rice and wheat production has increased from around 10 million metric tons in the early 1970s to 25 million metric tons by the early 2000s. However, nearly half of the population still cannot afford an adequate diet. Also, as much of the countryside lies in disaster-prone, largely flood plain areas, annual flooding, together with periodic other natural disasters, often cause crop damage and food shortages for the vulnerable population.

Poverty and lack of social services leave a significant portion of the Bangladesh population hungry and malnourished. To alleviate these problems, USAID focuses its resources on long-term sustainable development. Within a framework of law and USG policy and interests, USAID invests in people and processes, and promotes policies and institutional environments which attack the primary basic cause of food insecurity and hunger – namely, poverty, especially in rural areas. Agency priorities for Title II development programs as set forth in the 1995 Food Security Policy Paper focus on improving household nutrition and health status, especially for children and mothers, and on increasing agricultural productivity, including field production, post-harvest handling, transportation and marketing.

Program foci for improving food availability, access, and utilization include closing the seasonal food gap through improved storage, small-scale post-harvest transportation, crop diversification (but not at the expense of food crops), expanded market opportunities, and on overcoming household cash flow and liquidity constraints. The focus on food utilization places a major emphasis on changing critical nutrition (diet, care and feeding) and health enhancing behaviors. In addition, improved food utilization includes such areas as basic education, maternal and child health, control of infectious diseases, crop and food diversification activities and improvements in water and sanitation.

2. The Gender Dimensions of Food security

Gender relates to the socially assigned position and behavior of men and women. It affects the allocation of resources and work, decision-making and power, and the enjoyment of rights and entitlements within the family as well as in public life. Men and women have different roles and responsibilities in their individual lives, in their families and households, and in their communities. Both men and women are income earners and agricultural producers. Within the family, the women's responsibilities often involve care provision for their families and intra-household food distribution. Women also play a vital role in the processing and preparation of food, and frequently use their own earned income in support of their children. Women seeking to make these significant family contributions frequently have only limited access to the necessary resources, or to the related decision-making processes of family resource allocation and use.

Individual and household food security is affected by individual actions and choices men and women make in producing food, earning income or acquiring assets, and feeding and caring for family members. Thus, it is critical to ensure equitable access to and control over the resources needed to meet their respective roles and responsibilities. Indeed, overcoming gender-based inequities in resource access and decision making could very much enhance women's contributions to food security and ultimately result in significant nutritional benefits to the family. Furthermore, by improving women's health and nutrition, and their access to education and training opportunities, overall human capital is enhanced as

an input to ensuring individual and household food security.

3. Title II Programs in Bangladesh

Bangladesh, being one of the most food insecure countries of the world, has received P.L. 480 Title II food assistance since 1972. During the first three years (1972-74) of the Title II program in Bangladesh, food aid was almost exclusively emergency assistance, helping the GOB feed people displaced by the nine-month war of independence. The subsequent programs, implemented by CARE into the mid-nineties, consisted of food for work programs, primarily earth moving for road and canal rehabilitation. CARE's Integrated Food for Development Program (1994-99) reflected a shift towards development on the relief-to-development continuum, with approximately 70% of the Title II resources undergoing monetization, to fund larger scale, higher quality rural infrastructure. The current CARE program (1999-2004) is 100% monetized, which enables CARE to implement a wide array of developmental activities such as low cost paved rural roads, flood proofing, urban slum development, local government capacity building and training, and disaster management.

The other ongoing Title II five-year program, with World Vision, began in FY 2000 and is focused on improvement of food security in 16 of the country's 466 sub-districts. The World Vision activities are in water and sanitation, agriculture, rural roads and other infrastructure, and disaster management. The program also includes a direct distribution component utilizing approximately 20% of the approved program commodities. Both programs monetize commodities through the Government of Bangladesh. Although the monetization process itself is relatively simple, to transfer the local currency to the Cooperating Sponsor's account, at which time it becomes available to support program activities, is commonly a lengthy, tedious process.

B. PROSPECTIVE PROGRAM STRATEGIES

Although Bangladesh appears to be approaching aggregate national cereals self-sufficiency, an estimated 32 million plus people cannot afford a daily intake of more than 1800 kilocalories. Due to the frequency of disasters, primarily annual flooding and occasional cyclones typically accompanied by high tidal surges, people in many rural areas remain ultra poor and are trapped by their poverty. Related contributing factors include the lack of reliable and regular income sources, with the majority of the rural population landless and reliant upon income from unpredictable employment. Insignificant economic activity in most areas further contributes to poverty and thereby affects community livelihoods and food security. The domain of vulnerability in this group encompasses exposure to risk, hazards, shocks and stress, difficulty in coping with contingencies, and access to assets. The geographic areas generally identified as most food insecure include the following:

- coastal belt severely affected by cyclones and tidal/storm surges;
- riverine areas including the Padma, Brahmaputra, Meghna and Tista river proximities;
- haor and beel areas including the haors at Sunamganj, Netrokona, Kishoreganj, Hobiganj, Chalan beel, and water-logged areas of Khulna, Jessore, and Satkhira.

Note: A haor is a tectonic depression in the northeastern region of Bangladesh which serves as a water basin that during the monsoon season receives rain water run-off from the Meghalaya and Assam regions of India. The haors remain under water for about six to eight months of the year. A beel is a large monsoon-season water body in the flood plain.

The goal of the Title II Program in Bangladesh is to reduce poverty and achieve long-term food security for the poor and malnourished, helping them to graduate to a more decent level of living. Future Title II programs need to address the living conditions of the poor people in the above cited areas.

Activities proposed in new DAPs should be in conformity with Bangladesh government and multilateral food security assessments and strategies. Conformance with both the Agency (see the 1995 Food Security Policy paper and the FFP FY 2003 Policy Letter at www.usaid.gov) and USAID Mission (see the USAID/Bangladesh webpage at www.usaid.gov/bd) food security strategy and related development priorities is highly desirable, as program and resource integration is encouraged. It is recognized that no proposal may be disapproved solely because it is not in such conformance with the latter. The Mission expects, however, to subsequently competitively make available a portion of its development assistance (DA) resources in support of its Title II partners, and these DA resources will only be provided to Title II programs which are directly complementary to the approved USAID/Bangladesh country program strategy and development priorities.

The DCHA/FFP policy is to encourage an appropriate mix of direct distribution and monetization activities. The Bangladesh Mission is encouraging proposals which rely less on monetization to sustain proposed program interventions. Proposals to implement Title II programs in Bangladesh may reflect a combination of direct distribution, cash for work, and monetized program elements. Activities should be implemented in geographic areas where food insecurity is acute and where interventions can be expected to have a significant economic impact. Innovative approaches that require initial pilot phases should, nevertheless, be structured to eventually address the needs of the most needy within the overall project scope and activity duration of the approved DAP.

Overcoming food insecurity requires attention to specific factors that promote food availability (e.g. productivity-enhancing technology, infrastructure, markets), food access (income, prices, employment, control of assets and resources) and food utilization (health care, clean water, sanitation, improved diets). Given the relative recent success of the Government of Bangladesh in achieving national cereals self sufficiency, the Bangladesh Mission encourages DAPs which focus primarily on the food security components of access and utilization. Some possible interventions are listed below. Note that the list is by no means exhaustive.

Coastal belt:

- Construction of embankments and protected areas, including tree plantation and maintenance, to afford both protection from the effects of tidal surges and provide income generation from care-taking and appropriate utilization of the trees;
- Mobilization, training and assistance to fisherman groups;
- Water and sanitation, including motivation and hygiene education;
- Survey, needs assessment, provision of cyclone shelters. Construction of multipurpose cyclone shelters and killas (elevated areas used as shelters for cattle and household assets) including their use as schools/vocational training centers, women's training centers, fish processing center/markets/etc. The shelters should have necessary and appropriate water & sanitation facilities and access roads and there should be assurances of community ownership and ongoing maintenance by the users.
- Rehabilitation and maintenance of roads, building and/or maintenance of boat landing

facilities/jetties;

- Construction /rehabilitation of markets including access roads;
- Agricultural production enhancement through the introduction of diversified crops, vegetables, fruit trees, poultry, cow/buffalo rearing, milk processing, fish processing, fish hatcheries, etc.;
- Disaster management activities including training, capacity building of local NGOs and CBOs in disaster response and efficient management and use of shelters during the emergency. Needs and resource assessments, stockpiling survival kits, coordination with other organizations and local administration, etc.;

Riverine Areas:

- Rehabilitation assistance for families affected by river erosion including housing in khas (government owned lands), and the creation of income generating opportunities;
- Flood proofing activities in the char and related areas to protect inhabitants unprotected by embankments;
- Construction of flood-shelter (and killas)-cum-school/market/training centers;
- Alternative income generation through increased agriculture productivity including cattle rearing, poultry, fish culture, vegetable and seasonal fruits, etc.;
- Mobilization, training and assistance to fisherman groups;
- Construction /rehabilitation of markets including access roads;
- Water and sanitation including behavioral motivation and hygiene education;
- Disaster management activities including training and capacity building of local NGOs and CBOs in disaster response and the efficient management and use of shelters and resources prior to and during an emergency. Needs and resource assessments, stockpiling of survival kits, coordination with other organizations and local administration, etc.

Haor and Beel Areas

- Mound (raised villages in the flood plain/haors) extension and plant-based wave erosion protection;
- Submersible embankment construction and maintenance to protect crop damage from flash flooding;
- Construction of flood shelter (and killas)-cum-school/market/training centers;
- Alternative income generation through increased agriculture productivity including cattle rearing, duck rearing, poultry, fish culture, crop extension, vegetable and seasonal fruits, etc.;
- Water and sanitation including behavioral motivation and hygiene education;
- Rehabilitation and maintenance of boat landing facilities/jetties;

- Construction /rehabilitation of markets and roads (submersible roads);
- Mobilization, training and assistance to fisherman groups;
- Development of fish sanctuaries in coordination with fisheries department and local administrations;
- Disaster management activities including training and capacity building of local NGOs and CBOs in disaster response and the efficient management of shelters and resources prior to and during an emergency. Needs and resource assessments, stockpiling of survival kits, coordination with other organizations and local administration, etc.

C. IMPORTANT CONSIDERATIONS/REQUIREMENTS IN PROGRAMMING

- Development Assistance Program proposal submissions must follow the final FY 2005 P.L 480 Title II DAP Proposal Guidelines as issued by DCHA/FFP.
- The proposal must be consistent with, and reflective of, the USAID food security strategy set forth in the 1995 USAID Food Security Policy Paper. The proposal must also be consistent with the annual FFP Policy Statement last issued in the “P.L. 480 Title II Development Program Policies issued by USAID/DCHA/FFP” dated November 1, 2002
- A Host Country Food for Peace Agreement is required. Regulation 211.3 stipulates the requirement of Host Country Food for Peace Program Agreement. This agreement establishes the terms and conditions needed by a nongovernmental Cooperating Sponsor to conduct a Title II program in the host country in accordance with the applicable requirements of Regulation 211. Express reference to, and incorporation of, Regulation 211 is required in the Host Country Agreement.
- The proposal shall include direct distribution commodity component(s).
- The Mission strongly encourages monetization through private channels rather than the existing procedure through the government. Experience has shown that monetization through the Government of Bangladesh is a lengthy, time consuming, and often frustrating process which hinders the timely transfer of sales proceeds to project accounts.
- In countries where multiple DAPs are anticipated, joint monetization by cooperating sponsors is encouraged to minimize workload and accrue program efficiencies.
- We encourage the programming of value added commodities. The DCHA/FFP policy encourages programs to utilize value-added commodities. Wherever feasible, monetization of value-added commodities is preferable to the monetization of bulk commodities.
- Each DAP should include a disaster component which would include the capacity building of local NGOs, governmental bodies and local communities.
- The Bangladesh Mission believes that PVO cost sharing is an important element and demonstrates a partner’s commitment to the program in Bangladesh. USAID expects applicants to demonstrate a commitment to program success by proposing an appropriate and

meaningful level of cost sharing.

- Effective partnering can increase efficiency and effectiveness, scale of coverage, transparency, sustainability of service delivery, and programming scope. Partnering with other organizations such as local NGOs, GOB Ministries, research institutions, governmental bodies and universities expands community participation, ownership and control and improves the development process. Therefore, partnering with local indigenous NGOs, local elected bodies, and relevant government agencies is strongly encouraged.
- Promoting stakeholder participation in the design and implementation of the program activities is encouraged. Use of Participatory Learning and Action techniques are important to bring together residents and leaders from the community, government officials, representatives of local entities, local NGOs to expand stakeholder participation, foster ownership, promote long-term maintenance assurances, and promote sustainability.
- The proposal must reflect gender considerations in all activities. In recognition of the relative imbalance of women vis-à-vis men in economic and social arenas, wage disparities, and widely variable degree and scope of economic and social independence, the DAPs should make special efforts to ensure that women are given optimum opportunity as program participants and beneficiaries in all activities. Cooperating Sponsors must work closely with their partners, prospective stakeholders and beneficiaries to fully demonstrate in their proposals that all activities take into consideration the prospective impact of their respective interventions in a gender accountable manner. Full, equitable, and appropriate participation, training and empowerment of women and men must be apparent throughout all program elements of the DAP. Gender sensitivity in staffing, training and decision making is to be given emphasis throughout the proposal.
- The Title II program should be designed to help achieve the Mission's goal of improving the food security of the most vulnerable groups. The geographic strategy used in programming should allow for the targeting of the most needy beneficiary groups.
- To achieve a tangible program result a holistic approach is necessary. It is recommended that programs consider a carefully focused range of complementary activities to accelerate improvements to the food security of the target population.
- Appropriate food utilization is critical to the achievement of improved food security in Bangladesh. The direct food distribution component(s) of the DAP should reflect a balanced diet package as opposed to the sole distribution of food grains.
- Linkages with other USAID funded projects and partners (such as "Improving Wheat, Maize and Papaya Production and the Impacts of Arsenic Contamination implemented by CIMMYT, and "Agro-based Industries and Technology Development Project II (ATDP II)" implemented by Louis Berger, is encouraged.

D. MISSION PRIORITIES AND EXPECTATIONS

In future DAPs, USAID/Bangladesh envisions having multiple Title II Cooperating Sponsor development food aid partners, with smaller individual programs and a strong programmatic and

geographic focus within each program.

The USAID Bangladesh Mission expects to make a currently undetermined amount of DA resources available to support DAPs which are approved in the FY 2005 DAP review cycle. Priority points in the Mission evaluation of grant proposals for the use of DA resources will be awarded to those approved DAPs that most appropriately and thoroughly meet the following criteria.

Mission Program Priorities

- Linkages with other elements of the Mission program;
- Inclusion of direct distribution components;
- Monetization through private channels;
- Inclusion of value-added commodities;
- Significant partner cost-share in the budget;
- Gender considerations adequately reflected and included in program activities;
- Creative, innovative and effective approaches to food security in Bangladesh, including disaster preparedness and mitigation, utilized.

Contextual Knowledge

- Demonstration of a clear understanding of the political, cultural, social, and institutional norms in targeted areas;
- Incorporation of “lessons learned” from past food aid programs in Bangladesh;
- Clear understanding of local capacities and demonstrates inclusion of the vulnerable populations in program planning;
- Clear understanding of the community dynamics and incorporate appropriate steps for gender integration and balance in activities at all levels.

Institutional Capability/Past Performance

- Demonstrated previous successful Title II program implementation in Asia;
- Demonstrated internal technical capacity to address food insecurity issues;
- Demonstrated strong and productive relationships with former and current partners and beneficiaries;
- Appropriate targeting of vulnerable communities.

Personnel

- Key personnel have relevant experience in managing international development programs and working collaboratively with Asian governments and disaster-related organizations;
- Key personnel have relevant experience in working with community organizations and/or

regional organizations;

- Program operational personnel have demonstrated sector-specific technical capability in their skill areas and appropriate language skills.

Cost

- Cost Effectiveness: percentage of the overall budget going as direct assistance to beneficiaries; significance of program impact in terms of number of beneficiaries and cost per beneficiary;
- Cost Realism: likelihood that the program can be accomplished within the stated budget and within the projected operational period;
- Cost-Sharing: Extent to which the applicant intends to use its own funds, and/or those of other non-USG donors.

E. REFERENCE SOURCES

The "DCHA/FFP 'P.L. 480 Title II Guidelines for Development Assistance Programs'" may be obtained from the USAID/DCHA/FFP Website at:

http://www.usaid.gov/hum_response/ffp/nonemergency.html

A description of the USAID Bangladesh Mission activities can be obtained from USAID/Bangladesh website: <http://www.usaid.gov/bd> or may be found at the Asia Near East website at: <http://www.usaid.gov/country/ane/>